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INFO RUEHEE/ARAB LEAGUE COLLECTIVE

RUCNMEM/EU MEMBER STATES COLLECTIVE

RHEHAAA/NSC WASHDC

RUEATRS/DEPT OF TREASURY WASHDC

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UNCLAS BEIRUT 000716

SIPDIS

SENSITIVE

STATE FOR NEA/ELA AND EEB/IFD/ODF

STATE PASS USTR FRANCESCKI

STATE PASS USAID LAUDATO/NANDY/SCOTT

TREASURY FOR PARODI/BLEIWEISS/AHERN

USDOC FOR 4520/ITA/MAC/ONE

NSC FOR SHAPIRO/MCDERMOTT

E.O. 12958: N/A

TAGS: ECON EFIN EIND PGOV ETRD KFLU SY LE

SUBJECT: LEBANON: INDUSTRIALISTS LOBBY TO INCLUDE ALL LEBANESE EXPORTS UNDER GSP (ECONOMIC WEEK IN REVIEW, JUNE 22 - 28, 2009)

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LEBANON SUBMITS PETITION TO
INCREASE ITS EXPORTS UNDER GSP

¶1. (SBU) As part of the USTR's evaluations of ongoing country practices for the general system of preferences (GSP), the Association of Lebanese Industrialists (ALI) submitted a petition to include all Lebanese exports to the U.S. under the GSP program. In 2008, Lebanese exports to the U.S. were valued at around \$49 million, around 50% of which benefited from GSP.

CONTROL IMPROVES ON THE LEBANESE-SYRIAN
NORTHERN BORDER CROSSING

¶2. (SBU) On June 24, Lebanese Customs and Surete Generale moved their northern border offices in Abboudieh closer to the Dabbousieh Syrian border. This move is part of a plan to better control the border crossing between the two countries and develop the infrastructure to meet international standards, Director General of Customs General Assaad Ghanem told us on June 25. Ghanem said the move falls within UNSCR 1701 regarding border controls and improving control by the Common Border Forces (Surete Generale, Customs, police, and army) for the passage of goods and people.

¶3. (SBU) Ghanem said that customs and Surete Generale have also established a presence at the Bukaiya northern border crossing, thus legalizing this passage, and preparations will start to move Customs and Surete Generale offices at the Qa' border crossing (northern Bekaa) closer to the Syrian border, establish a presence in Hermel, and rehabilitate the Arida northern crossing. The entire project is expected to be completed in 2010, Ghanem said.

MOTOROLA ALLOWED TO OPEN
AN OFFICE IN LEBANON

¶4. (SBU) On June 18, the cabinet issued a decree allowing U.S. firm Motorola to register and open an office in Lebanon, after three years of post advocacy on behalf of the company. Motorola was put on Lebanon's boycott list of businesses with a relationship with Israel more than ten years ago. With this, Motorola was banned from having an operational office to market, advertise, and sell its products, though it was permitted to sell its products through a Lebanese agent. Motorola's country manager Rabah Zarzour told us the decree was supported by the Ministers of Telecommunications and Economy and Trade, as well as Prime Minister Siniora.

35 SWINE FLU CASES

¶5. (U) On June 26, the Ministry of Public Health announced that the number of swine flu cases reached 35, up from 20 at the end of last week. All patients are in the process of recovery, the ministry noted. No deaths have been attributed to the flu in Lebanon.

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